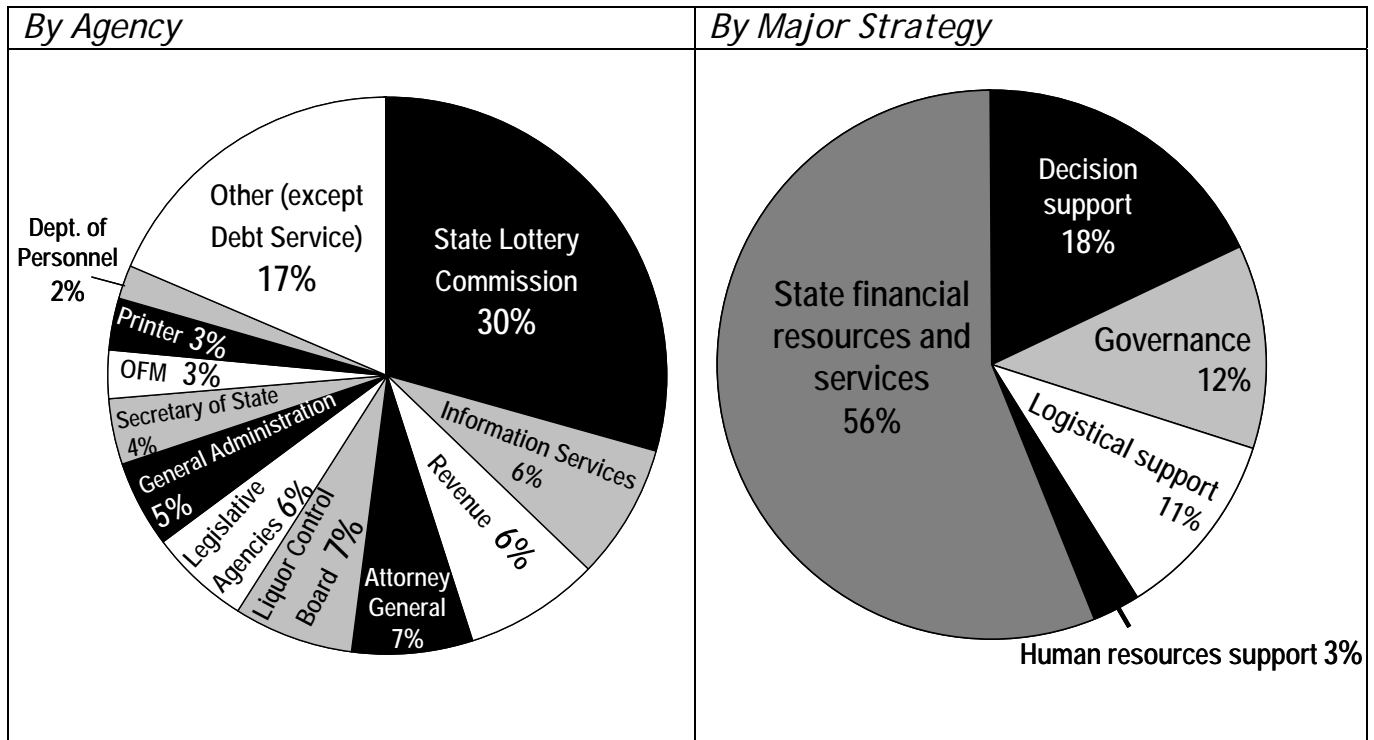


GMAP Fiscal Report

Government Efficiency

Biennial Operating Budget* = \$2.5 billion All Funds
\$508 million GFS

(Fund Sources: federal, dedicated funds, 21% GFS)



Current Fiscal Status (Major Agencies)

July 2005 - July 2006 Expenditures
Dollars in Thousands

	Estimates-to-date	Actuals-to-date	Current Variance under/(over)	Prior Report
Department of Information Services	119,675	107,661	→10.0%	9.0%
Department of General Administration	78,272	80,393	(2.7)%	(10.2)%
Office of Financial Management	66,933	62,883	6.1%	5.3%
Department of Personnel	36,026	57,603	→(59.9)%	(55.6)%
State Printer	9,553	9,749	(2.1)%	→71.2%

* Does not include \$2.06 billion (\$1.4 billion GFS) for Bond Retirement and Interest.

GMAP Fiscal Report **Government Efficiency**

Current Fiscal Status (Selected Agency Detail)

July 2005 - July 2006 Expenditures

Dollars in Thousands

	Estimates- to-date	Actuals- to-date	% Variance under/(over)	Prior Report
Department of Information Services				
FTE Staff	439.8	414.8	5.7%	5.8%
Management Support	7,943	6,749	→15.0%	→17.5%
Policy and Regulation	1,964	1,642	→16.4%	→17.9%
Telecommunications Services	58,825	53,154	9.6%	7.5%
Computer Services	37,147	32,854	→11.6%	→11.4%
K-20 Technology	13,796	13,261	3.4%	1.4%
Agency Total	119,675	107,661	10.0%	9.0%
Department of General Administration				
FTE Staff	585.4	581.2	.7%	(1.6)%
Administration	34	(321)	→1,041.4%	(61.0)%
Procurement	10,926	10,816	1.0%	→(55.5)%
Facilities Engineering Services	4,539	4,152	8.5%	(4.8)%
Statewide Operations	16,942	17,860	(5.4)%	(2.1)%
Capital Planning and Management	45,831	47,885	(4.5)%	(5.1)%
Agency Total	78,272	80,393	(2.7)%	(10.2)%
Department of Personnel				
FTE Staff	214.0	237.4	(10.9)%	(12.7)%
Technical Personnel Services	14,906	14,207	5.7%	.5%
Human Resource Information Systems	21,119	43,396	→(105.5)%	→(86.8)%
Agency Total	36,026	57,603	(59.9)%	(55.6)%
State Printer				
FTE Staff	137.5	133.1	3.2%	3.0%
Administration	9,553	9,749	(2.1)%	→71.2%
Office of Financial Management				
FTE Staff	300.3	307.5	(2.4)%	(1.5)%
Administration	1,675	1,583	8.2%	7.5%
Budget	3,802	3,702	2.6%	.3%
Information Services	4,600	4,502	2.1%	1.6%
Support Services	526	492	6.6%	→14.0%
Accounting/Fiscal Services	1,701	1,676	1.5%	.6%
Statewide Policy	5,619	5,638	(.3)%	→17.5%
Forecasting	2,331	2,067	→11.3%	→20.9%
Management/Productivity	3,528	3,018	→14.5%	(7.4)%
Risk Management	17,344	15,375	→11.4%	.5%
Financial Systems Management Group	12,753	12,437	2.5%	(7.6)%
Local Improvement Districts	75	89	→(18.7)%	28.3%
Special Projects	12,979	12,351	4.8%	→21.0%
Agency Total	66,933	62,883	6.1%	5.3%

GMAP Fiscal Report

Government Efficiency

Key Fiscal Issues

Department of Information Services

2006 Supplemental Budget

- \$1.5 million in General Fund-State for Digital Learning Commons was provided. This program is slated to become self-supporting by September 2008.

Expenditure Trends

- **Management Support is under-spent by 15 percent:** The under-expenditure is primarily in the areas of salaries and benefits, and goods and services. The under-expenditure for salaries and benefits is due to staff vacancies and longer than anticipated recruitment for these positions. The goods and services under-expenditures are related to the staff vacancies and lower than anticipated costs in the areas of education and training, purchased services and administrative expense, such as Attorney General charges.
- **Policy and Regulation is under-spent by 16.4 percent:** The under-expenditure is primarily in the area of salaries and benefits, and goods and services. This is due to a staff vacancy and delays in expenditures for purchased services in support of the division.
- **Computer Services is under-spent by 11.6 percent:** The under-expenditure is primarily in the areas of salaries and benefits, goods and services, and capital equipment. These under-expenditures are due to staff vacancies, lower than expected costs for software, hardware maintenance and purchased service acquisitions, and changes to the acquisition schedule for technology hardware and software.

Agency Action Plan

In the past six months the DIS Human Resources Office has been working closely with operating divisions to develop new strategies for recruiting qualified candidates into difficult-to-fill positions such as network security staff and mainframe computing programmers. This action plan has produced some good successes. DIS has teamed with the Department of Personnel to identify candidates using Internet recruiting sources. DIS has also expanded the geographic reach of its outreach, and used additional internet-based recruitment sources, in order to identify and hire candidates. We have also improved internal referrals of qualified candidates, and created in-training positions to encourage current staff to consider filling higher-level positions. DIS will continue to expand its use of these strategies to address our recruitment needs.

A significant portion of financial variance is due to technology capital acquisitions not being completed in the timeframe estimated when the budget was created. As such these variances represent timing issues, not changes to underlying technology purchase and service strategies. DIS is training and tasking its financial and business managers to address these causes of the variances.

Department of General Administration

2006 Supplemental Budget

- \$256,000 General Fund-State and 2 FTEs to support ESSB 5509 High Performance Buildings, and SHB 1830 Capital Projects Advisory Review Board;
- The addition of an FTE to allow the hiring of a resource conservation manager who will assist agencies in implementing energy conservation plans in order to save in future energy costs.

GMAP Fiscal Report

Government Efficiency

Expenditure Trends

Administration is over-spent by 1,041 percent: This over-expenditure is only \$355. Normally we project to allocate all of our administrative expenditures to revenue generating programs but may vary by a small amount.

Agency Action Plan

None needed at this time.

Department of Personnel

2006 Supplemental Budget

- \$6.4 million Personnel Services Revolving Account for the renegotiated project scope and schedule for the Human Resources Management System;
- \$7.4 million Data Processing Revolving Account for the Pay Raise Deferment Project made necessary by the Legislature's differential implementation for salary increases;
- \$125,000 Data Processing Revolving Account, to modify the new Human Resources Management System to accommodate the new Public Safety Employees Retirement System.

Expenditure Trends

The Human Resource Information Systems Division is over-spent by more than 105 percent: This program remains significantly overspent because of the cost of programming time necessary to change both the old and the new payroll systems to accommodate different salary increase implementation dates based upon the legislative budget. Relief from this over-expenditure problem was requested and received in the 2006 Supplemental Budget. However, the allotments for this relief occur in August and November of this year and are not included in this report.

In addition, maintenance and operating costs for the new HRMS system have not previously been budgeted for, although they are currently being incurred. Current revenue streams are no longer sufficient to cover these increased costs. The Office of Financial Management has been made aware of this issue and has verbally approved the over-expenditure of agency funds in the Data Processing Revolving Account as long as the account as a whole remains positive (this account is also used by OFM and the Department of Information Services, both of which collect and deposit revenue for services, and spend from the account).

Agency Action Plan

In its 2007-09 biennial budget request, the Department of Personnel has proposed an HRISD rate increase for 2007-09 to cover the increased costs of maintenance and operating the new HRMS system.

Also included in the budget request is a funding transfer decision package. This package would allow the repayment of the Data Processing Revolving Account (419) over-expenditures with funds collected in the Department of Personnel Services Account (415).

State Printer

Expenditure Trends

Now that allotments have been revised to remove the Cost of Goods Sold estimate (materials, direct labor, etc.) the expenditure variance is just over 2 percent.

GMAP Fiscal Report

Government Efficiency

Agency Action Plan

None needed at this time.

Office of Financial Management

2006 Supplemental Budget

- 2.4 FTEs, and \$1.2 million Other Funds for a Roadmap Feasibility Study;
- 8.0 FTEs, and \$3.1 million Other Funds for further develop of Enterprise Systems;
- \$470,000 General Fund-State to fund the WorkFirst Performance Team;
- \$500,000 in Other Funds to replace the current Capital Budget System;
- 3.7 FTEs and \$2.8 million General Fund-State for the Management and Accountability Proposal (shifted from the State Auditor's Office);
- \$200,000 General Fund-State for the Policy and Consensus Center;
- \$200,000 General Fund-State to fund Capital Pre-design Evaluations;
- \$550,000 General Fund-State for Regulatory Improvements;
- \$200,000 General Fund-State to fund a study of State Parks and Department of Fish and Wildlife capital budget needs.

Expenditure Trends

- **The Forecasting Division is under-spent by 11.3 percent:** Spending on contracts has been slower than expected. We anticipate expenditure levels to closely match the allotments by the end of fiscal year 2007.
- **The Management and Productivity Division is under-spent by 14.5 percent:** It has taken longer than expected to fully staff the Government Management Accountability and Performance unit. We anticipate expenditure levels to closely match the allotments by the end of fiscal year 2007.
- **Risk Management is under-spent by 11.4 percent:** Spending related to the new Risk Management Information System and for commercial insurance has been slower than expected. We anticipate expenditure levels to closely match the allotments by the end of fiscal year 2007.
- **The Local Improvement Districts program is over-spent by 18.7 percent:** Consistent with personal property taxes, special assessments against state-owned land have increased. We anticipate this program to remain overspent during the rest of the biennium. This over-spending is easily covered by under-spending in the rest of the agency.

Agency Action Plan

None needed at this time.